



U. S. Department of Energy
Office of Science



Chicago Office

FY 2006

Annual Assessment Report



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Message from the Manager

Fiscal Year (FY) 2006 was another record year for the Chicago Office (SC-CH). We had many accomplishments and challenges. The year brought a management change and with it a new beginning for the Office. We shifted priorities and placed a strong emphasis on making the Integrated Support Center (ISC) a reality for the Office of Science (SC). At the same time, we worked with our partners in the ISC, the Oak Ridge Office (SC-OR), to give renewed emphasis and leadership to the SC Reengineering effort. The Chicago Office responded with spirit and the drive to succeed to these challenges.

I take great pride in what the Chicago Office has accomplished in FY 2006. These accomplishments are outlined in detail in this Annual Report. As we enter FY 2007, we also face many challenges. I am confident that we will rise to meet them as we did in this last year, as opportunities to demonstrate our professionalism, excellence, and determination to succeed in advancing the missions of the Office of Science and the Department.



Robert Wunderlich, Manager
Chicago Office



Chicago Office Employees, August 2006

INTRODUCTION

A Year of Accomplishment

In FY 2006 SC-CH was once again responsible for approximately \$4 billion of Department of Energy (DOE) research and development funding, including 70 percent of the SC budget, approximately \$2.6 billion. Our Acquisition and Assistance organization, with support from legal, budget, finance and others throughout SC-CH, processed, negotiated and awarded 4,143 procurement requests primarily in support of SC. They also administered 3,670 active awards, another record setting accomplishment. The SC-CH Chief Financial Officer's (CFOs) staff successfully met the many challenges associated with operating a new Standard Accounting and Reporting System (STARS) in its first full fiscal year of operation. Many of us found ourselves involved in our functional roles in managing this record workload.

SC-CH Safety, Technical and Infrastructure Services (STI) completed a growing number of environment, safety, health, infrastructure, and security assessments and other support work on behalf of the Site Offices and headquarters. Real estate transactions also increased. In these areas SC-CH is increasingly recognized by Site Offices as a "go-to" service organization, a supportive unit that can be relied upon to assist in project and initiative planning; organizing, planning, staffing, leading, and performing complex Integrated Safety Management Systems/Environment, Safety and Health/Quality Assurance (ISMS)/(ES&H)/(QA) assessments and accident investigations; preparation of reports and plans for assessments; and for excellence in the quality of the service provided for case-specific issues and needs.

In fact, in every area of workload indicators we saw increased demands for service and support.

SC-CH chaired and staffed the Source Evaluation Boards (SEB) for the competitions for Argonne, Fermi and Ames Laboratories. The contract for Argonne National Laboratory (ANL) was completed in July 2006 and SC-CH is assisting with the transition to the new contractor, UChicago Argonne LLC. Fermi and Ames are in the final stages of selection. We are starting work on Princeton Plasma Physics Laboratory (PPPL) contract competition and are preparing for anticipated future assignments to begin in several months. The thousands of hours spent on these efforts have earned SC-CH a reputation throughout DOE for excellence in conducting management and operating (M&O) contract competitions.

New Brunswick Laboratory (NBL) moved toward completion of its transition to a new operational model as a Most Efficient Organization (MEO) and completed key actions called for by last year's Office of Performance Assessment review, including reduction of its' plutonium inventories. NBL's reporting relationship has now been resolved after much discussion and study. In FY 2007 NBL will be an Office of Science facility reporting to the SC-CH Manager-clearing up the SC-CH's roles and responsibilities for NBL. NBL remains a distinct part of our future Chicago organization.

During FY 2006, the Environmental Management (EM) Sunset Plan was in the final stages and the decision was made to transition the National Nuclear Security Administration (NNSA) Mixed Oxide Fuel (MOX) project to Savannah River, eliminating the EM and NNSA work at SC-CH beginning in early 2007. Due to these changes, we must face hard decisions as we may be forced to initiate a Reduction in Force.

Working together, we have all made significant strides in improving customer service to the Site Offices and Headquarters (SC-HQ). We set up customer-focused teleconferences during which our management team concentrated on the specific needs of the individual Site Office. Our management team and staff made numerous service visits to the Site Offices. We supported headquarters by staffing the SC Chief Operating Officer's (COO's) Office and assisting with many projects such the SC-wide Enterprise Architecture implementation team. We increased our communications and collaboration with our ISC partners in SC-OR so that, increasingly, we tailor our communications to the Site Offices to speak with a unified ISC position and voice for SC.

Similarly, SC-CH and SC-OR have worked together to develop an integrated assessment schedule that covers all ten sites and the ISC. The schedule is the first of its kind within SC. This schedule will be used by the ISC to staff assessments and by the COO to evaluate the assessment program to determine if there are any significant gaps. Future uses of the

schedule will be to conduct resource loading between the ISC Offices.

In this same spirit of collaboration, we restarted reengineering efforts for Phase two of the OneSC project with a new focus. SC-CH and SC-OR have assumed responsibility for ensuring that management system owners complete their assigned systems. A number of documents have been issued on the Office of Science Management System (SCMS), now available as a link on SC-CH, SC-OR and SC web sites. During FY2007 and beyond, SCMS will become our primary tool for sharing and distributing guidance and related information.

The ISC will be stronger as a result of these improved efforts of collaboration and communication between SC-CH and SC-OR, which will include common performance objectives for both ISC partners during 2007. As a result, the Reengineering goals of SC will also be advanced, helping to more efficiently and effectively carry out the business, technical, and administrative activities that support and enable SC mission accomplishment.



SC-CH Mission

Partner and Service Support Leader

SC-CH is a critical element of the SC program execution and implementation capability. In this role, SC-CH supports the SC mission to foster, formulate, and support forefront basic and applied research programs which advance the science and technology foundations necessary to accomplish DOE missions. SC-CH provides business, technical, and

administrative support to the SC Laboratory Site Offices and SC-HQ elements. As a strong partner and service support leader, SC-CH provides similar assistance to other DOE offices and other Federal agencies that execute programs through SC-CH based on agreements with those organizations. SC-CH also manages assigned DOE Centers of Excellence.

SC-CH Vision

DOE Office of Choice

The SC-CH is a DOE leader in providing effective and efficient delivery of essential support services for SC and our other program sponsors. Our strategic support enables our sponsors to achieve programmatic success in protecting national, energy, and economic security with advanced science and technology. We

are always committed to enhancing strong partnerships with program sponsors, laboratories, industrial partners and stakeholders. SC-CH is an integrated team devoted to accomplishing our agency responsibilities and programmatic commitments expected of our team.

Organizational Structure

Focus on Integrated Management

Integrated management is the key to providing *integrated support* to SC and other program customers. The ISC provides services through the integration of the capabilities of the SC-OR and SC-CH Offices. These services are provided to support the total SC enterprise and are designed to ensure effective customer

support and operating efficiency. Although SC-CH and SC-OR have assigned responsibilities, they act as one unit to apply appropriate resources. SC-CH is organized to provide integrated delivery of the following best-in-class business, technical and administrative services:

- Performance-based management of the projects, property, physical plant and operation of Government-Owned, Contractor-Operated Laboratories. Technical and management support to the Site Offices that oversee eight of the ten SC national laboratories, including Ames Laboratory, Argonne National Laboratory (ANL), Brookhaven National Laboratory (BNL), Fermi National Accelerator Laboratory (Fermilab), Lawrence Berkeley National Laboratory (LBNL), Pacific Northwest National Laboratory (PNNL), PPPL, and the Stanford Linear Accelerator Center (SLAC).
- Performance-based management of NBL, a Government-owned and Government-operated facility, is a center of excellence in the measurement science of nuclear materials.
- Corporate management services included management of acquisition and assistance instruments; financial services; general and intellectual property legal services; and technical, infrastructure, analytical, human resources, information management and administrative services.
- Performance-based management of programs and projects delegated by DOE program partners, such as the Office of Electricity Delivery and Energy Reliability (OE) and the NNSA Office of Fissile Materials Disposition and Office of Emergency Response.

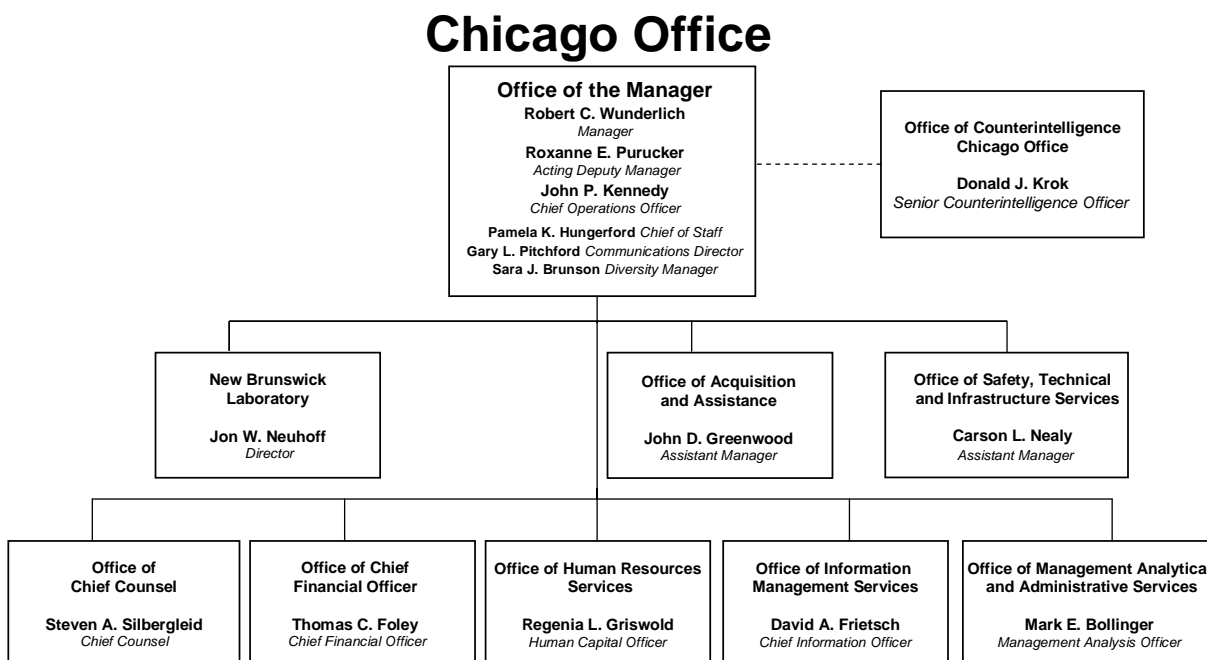


Figure 1. Chicago Office Organization Chart

Performance

Increased Workloads, Increased Accomplishments

SC-CH tracks workload trends through a number of workload indicators. Across most areas, SC-CH saw an increase in work. Workloads continued to grow in 2006 as they have since 2002 when additional responsibilities transferred to SC-CH from the Oakland Office. Workload also increased as SC-CH became part of the ISC taking on more responsibility through OneSC.

The future is bringing several significant changes. While planning for the implementation of the Integrated Assessment Schedule is still underway, it is clear that SC-CH will be engaged in a significantly greater number of assessments across operations. FY 2007 changes will also decrease work, as the NNSA work is transferred and the support for the Stanford Site Office will be provided solely by SC-OR beginning in March 2007. Listed below are the functions and processes that experienced the greatest increase in workloads:

- Financial assistance awards
- Procurement requests
- Accounting transactions
- ES&H assessments and reviews
- Security clearance processing
- Construction grants management
- M&O contract actions
- Legal reviews
- Intellectual Property activities
- Real Property management actions

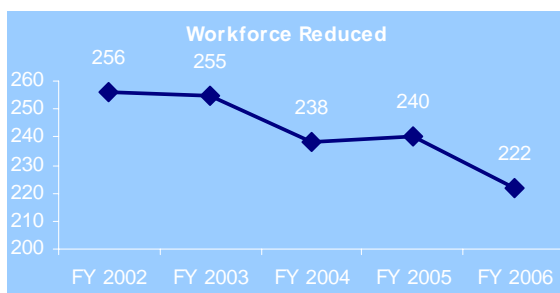
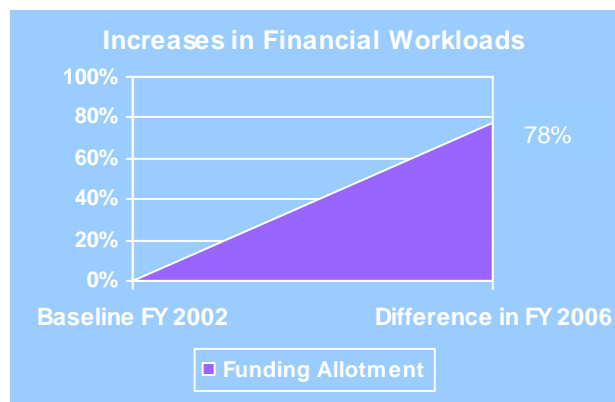
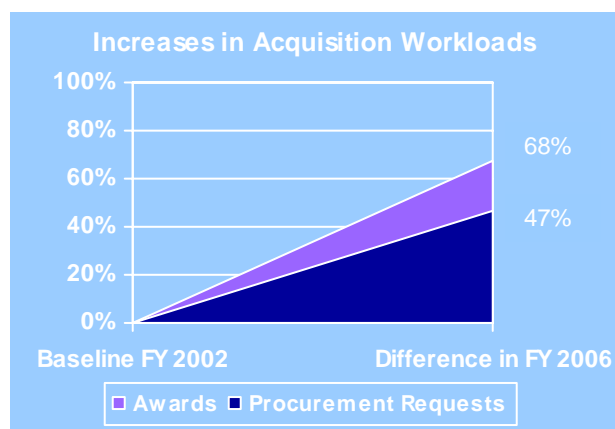
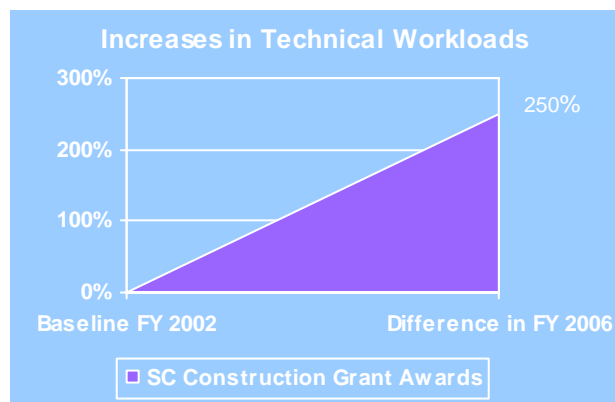


Figure 2. Number of Employees
(including NBL)



Figures 3-5. Workload Indicators

Four balanced priorities were established for FY 2006 to focus the work of the office:

1. *Active Support to SC and other DOE organizations;*
2. *Outstanding Customer Service;*
3. *Most Effective, Efficient Systems and Processes;* and
4. *Strategically Manage Human Capital.*

SC-CH successfully supported these priorities through achievement of the accomplishments listed under each organization below. In addition, employees from many of SC-CH organizations worked as an integrated team in support of the following office-wide initiatives:

- In FY 2006 SC-CH continued in its leadership role managing the SC Source Selection process for national laboratory M&O contracts. Following SC-CH's successful leadership in the development of the *SC M&O Contract for the 21st Century*, sometimes called the "Model Contract," SC-CH staff led and supported the successful competition for LBNL which was completed in 2005. In July 2006, SC-CH also led and supported the completion of the selection process for the ANL contract. The selections for Ames Laboratory and Fermilab were nearing completion at the end of FY 2006 and are expected to transition to new contracts in early in FY 2007. These M&O selections drew on SC-CH's broad procurement, legal,

technical, and administrative experience in managing these complex competitive actions and coordinating the diverse DOE SEB teams involved, made up of Board members, advisors and support staff from many organizations and disciplines. Partnering with the SC-OR, SC-CH will continue to contribute its experience and expertise to this high priority activity in FY 2007, helping to fulfill DOE and SC commitment to full competition.

- SC-CH also provided leadership toward implementing OneSC reengineering goals and objectives during FY 2006. Such efforts resulted in the initial completion of the SCMS web application, which now is available to all SC employees through various SC web sites. SC-CH provided significant contributions to a formal assessment of OneSC implementation during FY 2006. The observations of this assessment, presented to the Under Secretary of Science during July 2006, resulted in SC delegating a leadership role to the ISC Managers to promote/deliver the remainder of the reengineering effort during FY 2007-08. SC-CH employees continue to serve as Management System Owners for the M&O Contracting, Human Resources, and Financial Assistance Management Systems.

Office of Acquisition and Assistance (ACQ)

- Processed, negotiated and awarded 4,143 procurement requests (a new record), primarily supporting SC, and administering over 3,670 active awards.
- FY 2006 actions included support to three SC M&O Contract SEBs, two Extend/Compete Packages and one contract extension (modification)
- Negotiated and awarded 166 grants for construction and research provided for by Congress in the Energy and Water Development Appropriations Act Bill.
- negotiation for SC labs, as well as support to two additional (non-SC) M&O actions (one extend/compete and one SEB).

-
- Negotiated and awarded 289 Phase I and 139 Phase II Small Business Innovation Research and Small Business Technology Transfer grants to small businesses.
 - Awarded all new support service contracts to small businesses utilizing Performance Based Service Contracts, exceeding the DOE Procurement Balanced Scorecard target.
 - Closed out 454 inactive awards in FY2006, far exceeding its' stated goal of 315. This number of closeouts represents an all-time high in terms of the annual closeouts achieved.
 - Performed over 90 alternate and independent reviews in order to ensure work quality and that the best interests of the government are protected.

Office of Safety, Technical and Infrastructure Services (STI)

- Safeguards and Security (SSS) completed the conversion to diskless workstations for the SC-CH classified network 45 days ahead of schedule, making it one of the first in DOE to complete this conversion.
- OE assistance resulted in a major DOE success with the Aluminum Conductor Composite Reinforced (ACCR) technology as reflected by numerous installations across the U.S.
- Safety and Technical Services (STS) support for the Environmental Management Systems was provided to two site offices enabling the contractors to implement approved Environmental Management Systems by the December 2005 deadline.
- Leadership and staffing was provided in support of a Type B Accident Investigation of an Arc Flash Accident at BNL.
- STS leadership of the Transportation Emergency Preparedness Program included assistance in the development of online computer training for radiological transportation emergency response with ANL and the University of Illinois at Chicago.
- SC-CH Real Estate Committee provided review and recommendations for nine M&O contractor leases and utility easements; assistance to SC-HQ Laboratory Policy and Infrastructure, Infrastructure Division (SC-31.2), SLAC, Fermi and Thomas Jefferson National Accelerator Facility (TJNAF) for analysis of High Replacement Plant Valve (RPV)/Low Maintenance assets; and timely support to Berkeley Site Office (BSO) and Stanford Site Office (SSO) for leases and other Real Property considerations.
- Numerous ES&H assessments were conducted on behalf of Site Offices including ISMS re-verification at PPPL; transportation at BNL; Integrated Safety Management (ISM) and rigging assessments at Ames, and Environmental Management System (EMS) assessments at Ames Laboratory, ANL and Yucca Mountain.
- Completed transportation assistance to most SC sites for packaging, storage and shipping considerations for removal and disposal of enriched uranium, radiological materials, spent fuel, assessing waste management programs, and continued to serve as the

SC lead for the National Disposition Strategy.

- Served as the SC representative in support of SC-HQ Laboratory Policy and Infrastructure, Environment, Safety & Health Division (SC-31.1) for transportation considerations for all SC sites and agency-wide considerations related to packaging, storage and shipping of radioactive research and development (R&D) waste.
- Completed submission of Procurement Request packages for 116 Congressionally Mandated Construction Grants, a 250% increase over the past four years.
- SC-CH completed project management, project control and acquisition management support responsibilities in a quality and timely manner that enabled NNSA's Assistant Deputy Administrator for Fissile Materials Disposition (NA-26) to achieve major programmatic milestones for MOX and to reposition the Pit Disassembly and Conversion Facility (PDCF) project for near-term success.
- Cyber security support SSS provided to Site Offices consistently received "outstanding" feedback from Site Managers.
- The Radiological Assistance Program (RAP) remained one of the most active and effective RAP Regions in DOE.
- SC-CH's National Environmental Policy Act (NEPA) Compliance Officer continued to provide support to SC programs since the retirement of the SC Officer.
- All 166 new or renewed Congressionally Mandated grants were placed and/or processed in a timely manner and 26 site visits were completed as planned.
- Coordinated removal of enriched uranium for BNL, ANL and of radiological materials at the Environmental Measurements Laboratory (EML); led assessment of planned waste management at PNNL; technical lead for spent nuclear fuel transfer for Argonne Site Office (ASO); coordinated analysis of material.
- The transition of the MOX program work to Savannah River Office made significant progress. NNSA has praised SC-CH for the professional manner in which the transition has been planned.
- Overall Customer service survey results indicated that 100% of customers were satisfied or very satisfied with work provided.

Office of Chief Counsel (OCC)

- FY 2006 actions included support to three SC M&O Contract SEBs, two Extend/Compete Packages and one contract extension (modification) negotiation for SC labs, as well as support to two additional (non-SC) M&O actions (one extend/compete and one SEB).
- OCC-General Law reviewed over 700 contract and other legal documents.
- Provided intellectual property (IP) support to SC in the preparation of the Funding Opportunity Announcement for the Genomes to Life (GTL) Bio Energy Research.
- Monitored and provided general intellectual property support and counsel to Office of Nuclear Energy (NE) in regard to the Global Nuclear Energy Partnership (GNEP) and Next

Generation Nuclear Plant (NGNP) programs.

- Provided intellectual property support to NE for the Nuclear Power (NP) 2010 program. Provided review of requested IP changes to NP2010 contracts and subcontracts and provided counsel regarding requested changes to the patent waiver provisions.
- Provided support to the Office of Energy Efficiency and Renewable Energy (EERE) in effectuating guidelines for FreedomCAR, Hydrogen Fuel, and 21st Century Truck regarding data treatment under Cooperative Research and Development Agreements (CRADAs) and Work for Others (WFOs).
- Provided IP support to SC in effectuating awards made under the 2006 Innovative and Novel Computational Impact on Theory and Experiment (INCITE) program.
- A proposal to streamline (abbreviate) the legal reviews was presented to the DOE General Counsel, with positive reception.
- Freedom of Information Act (FOIA) targets for both responses by SC-CH organizations generally, and OCC specifically, exceeded expectations, with 100% on-time reviews (no overdue responses).
- OCC-IP processed 22 inventions in FY 2006.

Office of Chief Financial Officer (CR)

- Successfully managed a SC-CH funding allotment of close to \$4 billion dollars.
- Provided monthly funding modifications to seven SC Laboratories (ANL, BNL, SLAC, Fermilab, Ames Laboratory, LBNL, and PPPL).
- Completed financial actions for 4,143 procurement requests for SC and other program offices (a new record total).
- Met the new aggressive due dates for the development, review and issuance of Third Quarter and Fiscal Year-end Financial Statements for SC-CH.
- Successfully implemented the new Office of Management and Budget (OMB) Circular A-123 internal control processes at SC-CH and the Site Offices.
- Assisted in the improvement of the Funds Control and Distribution System and its interface with STARS.
- Provided financial advice and guidance and performed financial reviews for Site Offices, Laboratories and ACQ.
- Participated on the SEBs and provided financial advice for the Laboratory competitions held in FY 2006.

Office of Human Resources Services (HRS)

- HRS initiated a renewed workforce planning effort for SC-CH in early FY 2006 that was expanded to the seven Site Offices serviced by SC-CH.
- As the HR Management System Owner (MSO), the HR Director provided guidance to the seven Subject Area Reengineering Teams to ensure that draft procedures were provided to the SCMS Technical Editor in a timely manner and in the prescribed format.

-
- HRS provided support to the Office of Human Capital Management in the implementation of the Training MEO, Enterprise Training Services (ETS) through participation on the Phase-in Team comprised of DOE Training Officers and HR Directors.
 - HRS transitioned from the pass-fail system to the new four-tier DOE non-supervisory performance management system meeting the December 31, 2005 deadline established by the Office of Human Capital Management.
 - HRS actively participated on the HR Functional Accountability Working Group, which has included leading a sub-team tasked with developing concurrence, review and/or approval protocols for the establishment, selection and development of HR Directors, Resource Managers and other HQ positions with specific human capital responsibilities.
 - In an effort to address the recommendations of the SC-CH Employee Satisfaction Survey Response Team to employees' concerns, HRS implemented three new initiatives in FY 2006 (e.g., Brown Bag luncheons for supervisors, quarterly newsletter, and an update to the SC-CH Supervisory Development Program that included sample Individual Development Plans for new and experienced supervisors).

Office of Information Management Services (IMS)

- IMS continues to promote its Application Hosting services in support of the OneSC initiative. Information systems which are integrated into the existing SC-CH set of applications, and non-integrated systems are hosted. New accomplishments include:
 - The expansion of the Management Decision Support System (MDSS) to all of SC-HQ.
 - The use of SMART to track Integrated Assessment Schedules of the Site Offices.
 - The implementation of a SC-wide Enterprise Architecture (EA) system including hardware and software purchases, installation, database configuration and development.
 - Conceptual and logical design models which represent the Federal Enterprise Architecture (FEA) EA requirements were completed.
 - The implementation of the EA physical model is in the development stage.
- Two new CH application development efforts were begun:
 - NBL's Safeguards Measurement Evaluation System (SMES) will be used for the evaluation of destructive results and analysis for uranium and plutonium.
 - The Patent Management Information System (PATMIS) is being enhanced to a web-based application.
- Vigilance in controlling and managing cyber security risks continued throughout the year, and a number of new controls were put in place. These measures have positioned SC-CH well for the Site Assist Visit which was conducted in October 2006. A number of controls were put into place including:
 - A proactive Intrusion Protection System (IPS) which monitors, analyzes and reports on malicious activities.

- On time implementation of the mandatory two-factor Virtual Private Network (VPN) authentication.
- Implementation of an automated patch management process.
- Implementation of OCIO mandated Personally Identifiable Information (PII) processes and data encryption measures.
- Implementation of an automated PC security configuration, monitoring and reporting process to meet Federal Information Security Management Act (FISMA) requirements.
- The SC-CH Chief Information Officer (CIO) completed a 120 day detail to SC-HQ and served as SC's advocate to the OCIO for the implementation of the Most Efficient Organization (MEO) and DOE Common Operating Environment (DOECOE) program efforts. In addition, the SC-CH CIO was involved with the SC-wide EA implementation team and served as Co-Management System Owner of the Information Technology function for the OneSC re-engineering effort.

Office of Management Analytical and Administrative Services (MAAS)

- Successful marketing of MDSS convinced SC that there was a need for such capability for all of SC. This expansion required significant planning, purchase of new equipment, programming, and data acquisition. Unfortunately, as MDSS was prepared for rollout, technical limitations put the rollout on hold. Additional MDSS accomplishments for the year included getting more financial data out of STARS; the Training System was replaced by integrating training cost tracking into a module of MDSS, and significant improvements were made in Annual Performance Plan tracking.
- Under very short time constraints, limited resources, and prescribed compatibility requirements, the Integrated Assessment Schedule was a tremendous success for all of SC. Discussions among all key players in assessments were facilitated by a first-ever attempt at any SC-Wide application. From preliminary design to overall cost-savings and efficiency, MAAS provided leadership and championed the effort throughout.
- Electrical issues in building 201 consumed a lot of time and effort in FY 2006. Significant accomplishments included coordinating efforts by IMS, ANL, SC-CH safety personnel, ASO, and others to ensure a safe working environment for all employees.
- MAAS is at the forefront of supporting HQ efforts to improve the directives management system, RevCom, suggesting improvements and demanding changes. This year saw new and improved updated tables of all SC-CH Directives and a concerted effort to get all SC-CH directives either up-to-date or retired.
- MAAS initiated a process to ensure SC-CH records management actions are taking place in a timely manner. Early successes were gained in documenting key contacts and sharing records management requirements with the SC-CH Management Council. In part due to the increased communication efforts,

records management actions increased

more than 100% over FY 2005.

Office of the Manager - Communications (OMC)

- Provided support to Site Offices in developing and administering public affairs and other communications performance measures and metrics. Coordinated day-to-day oversight of laboratory communications activities on behalf of Site Offices served.
- Supported SC in communications at the 2006 American Association for the Advancement of Science Annual Meeting, supporting Dr. Orbach in media Interactions and staffing the SC exhibit. Coordinated communications products and activities, such as the SC Weekly Communications Report, the monthly SC Communications Team conference call, and in special projects.
- Provided continued assistance to SC for OneSC communications, including operation of the OneSC Web Site, and served on the OneSC Project Review. Provided public affairs and stakeholder relations support for SC-CH-led SC M&O contract selections, including development of associated Web sites, press releases, and other materials for Ames Laboratory, ANL and Fermilab.
- Provided expert media training and other assistance to multiple SC-CH customers, including NNSA and, specifically, Administrator Linton Brooks.
- Planned, executed and/or supported multiple communications outreach activities to advance public understanding of DOE missions and goals, including speeches, open houses, and community events.

Office of the Manager - Diversity (OMD)

- SC-CH proactively promoted and advocated diversity in FY 2006. Our goal is to create an environment that embraces and values diversity by promoting (1) recognition of the differences in people, (2) respect for those differences, and (3) utilization of those differences to contribute to the success of SC-CH.
- SC-CH hosted premier cultural events to celebrate nationally proclaimed observances. Highlights in FY 2006 included hosting Martin Luther King, III in celebration of Dr. Martin Luther King, Jr. Day; a Latino Dance troupe to honor Hispanic Heritage; and a performance by a professional actress in observance of Women's History Month.
- SC-CH also celebrated our diversity with our annual Unity Day. Initiated by the SC-CH Unity Council, Unity Day has successfully brought employees together sharing our diversity and our common experiences. It is a living example of an atmosphere of inclusion, respect and community.

New Brunswick Laboratory (NBL)

- NBL developed a MEO and won the A-76 competitive sourcing activity; a Residual Organization was fully staffed, the Letter of Obligation signed, phase-in activities completed, and reorganization completed.
- Completed packaging of plutonium into inner containers for off-site shipment to Los Alamos National Laboratory (LANL) as part of plutonium inventory reduction activities (including development and approval of a safety analysis, completion and resolution of items from a readiness assessment, and project planning and implementation) to move the facility closer to becoming a hazard category three nuclear facility.
- Prepared and issued three certified enriched uranium isotopic standards important for safeguards measurements worldwide – Certified Reference Materials (CRM) U500, CRM U630, and CRM U970. Isotopic measurements were also completed on a fourth depleted uranium standard.
- Issued a certificate for the Calorimetry Exchange-II (CALEX-II) standard, a plutonium oxide standard important for calorimetry and neutron multiplicity safeguards measurements.
- Distributed 220 CRM units, with total sales of \$212,000, to domestic and international customers. NBL implemented a new pricing policy.
- Completed analysis, annual reports, and hosted an annual participant's meeting on 2004/2005/2006 results in the Safeguards Measurement Evaluation Program (SMEP) and 2004/2005 results in the Calorimetry Exchange Program.
- 200 units of CRM 145B were packaged for the SMEP.
- The Institute of Transuranium Elements (Germany) and the Institute of Reference Materials and Measurements (Belgium) were added to the Safeguards Measurement Evaluation Program. The International Atomic Energy Agency (IAEA) participated for the first time.
- Provided site safeguards assistance to ANL, Savannah River Site, LBNL, Paducah Gaseous Diffusion Plant, Portsmouth Gaseous Diffusion Plant, and Y-12 National Security Complex.
- Completed facility design basis threat (DBT) implementation through an updated vulnerability assessment and nuclear material reduction activities (two Field Assistance Team visits). NBL obtained approval of its Safeguards and Security Plan and completed construction of a new security room.
- Quickly delivered several standards to the U.S. Navy's Space and Naval Warfare Systems command for use in inter-agency exercises and for homeland security and national security-related projects. The Navy sent a complimentary letter commending NBL's response and willingness to assist. Navy personnel indicated that only NBL was able to supply them with necessary materials.
- 20 kilograms of uranium materials were packaged as waste. Several thousand items in deteriorating packaging were re-packaged and placed in long-term storage.

For more information regarding workloads, see workload indicator charts organized by occupational groupings in the Appendix.

These and other workload charts can be viewed using MDSS (<https://chip.ch.doe.gov/mdss/home.jsp>). Click on the Planning and Analysis button, then the Workload Indicators tab, then choose the SC-CH organization to see the FY 2006 workload indicator charts and data.

Call the SC-CH HelpDesk (630-252-2772) if you need an MDSS ID or forgot your password.

Chicago Office Employees

Human Capital is Our Greatest Resource

SC-CH success is due to the strength, professionalism, and capability of its employees. Taking on new work, rising to the challenge of new business systems, and adapting to change, SC-CH employees have met every challenge. SC-CH employees' capabilities are recognized and respected throughout the Department. The Office is well-known as an integrated team skilled in DOE and Federal business and technical systems:

- Contracting Officers
- Legal Professionals
- Facility Representatives
- ES&H Specialists
- Financial Specialists
- Project Managers
- Information Technology Project Managers
- Human Resource Specialists

- Congressional/Public/Stakeholder Experts
- Technical Experts

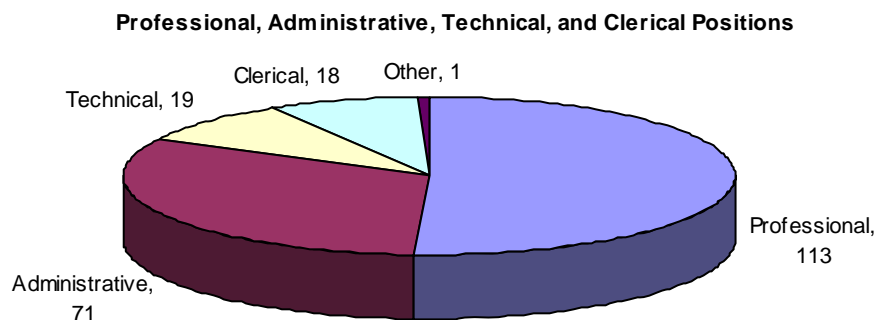
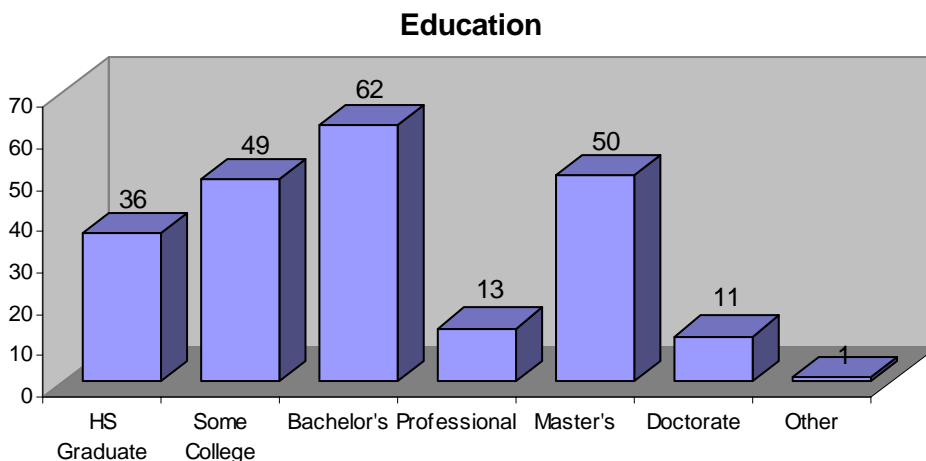


Figure 6. Job Categories



Our highly qualified employees have attained and continue to pursue degrees, licenses, certifications and continuing education credits to meet the ever-increasing demands for knowledge and skills.

Figure 7. Highest Educational Achievements

SC-CH organizations are faced with the familiar government-wide problem of an aging workforce. Twenty-five percent, or 56, of the 222 SC-CH employees were eligible for optional retirement in FY 2006; however, only nine chose to retire (an additional four chose early retirement).

The Office of Personnel Management reports that over the next 10 years, 60 percent of the government's professional employees will be eligible to retire.

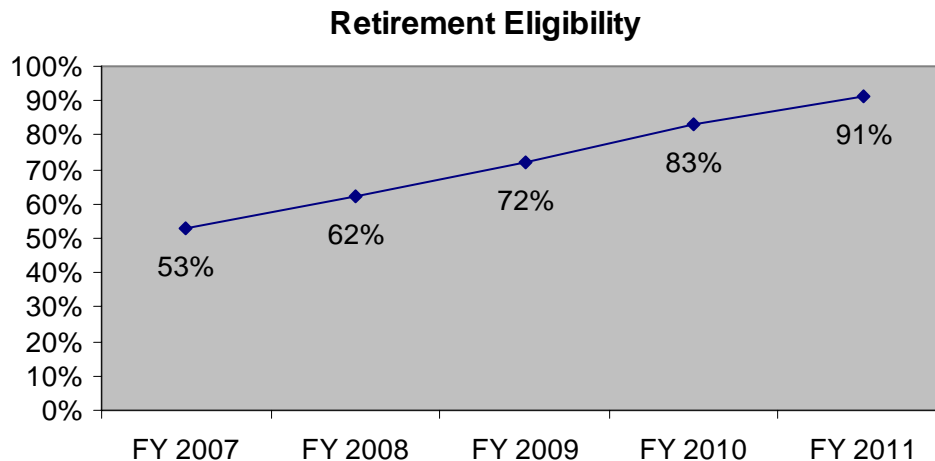
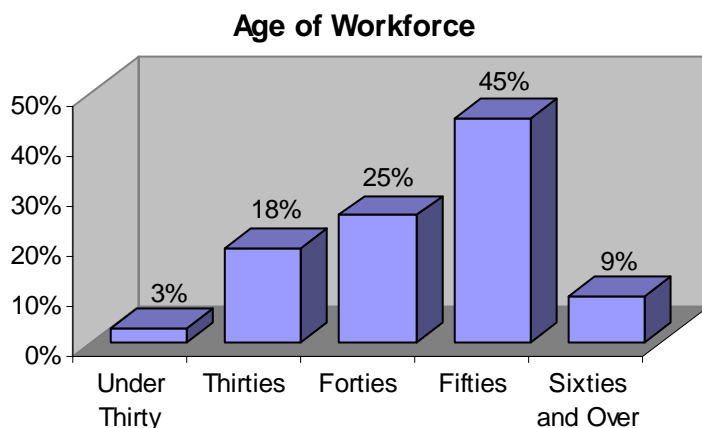


Figure 8. Percentage of Optional Retirement Eligible Employees



The mature age of SC-CH employees is not surprising after viewing retirement eligibility statistics. In FY 2006, only 21% of the workforce was "under 40".

Figure 9. Percentage of Workforce in each Age Category

In 2004, the Office of Personnel Management reported that the "typical" Federal employee was 46.8 years old. In FY 2006, the SC-CH average was 49.

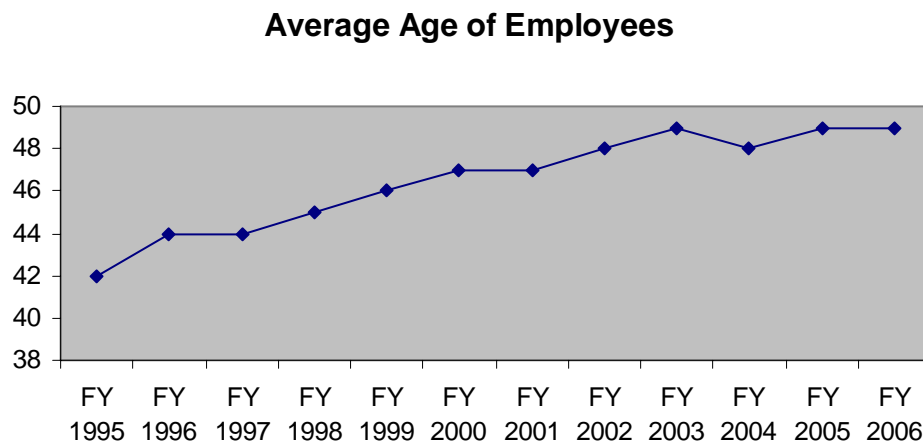


Figure 10. Average Age of Workforce

The SC-CH total workforce includes 29% minorities, which compares favorably to the DOE-wide total of 22.8% and the SC-wide representation of 22%. Our female

representation is 60% compared to a DOE-wide representation of 37.4% and 51% for SC.

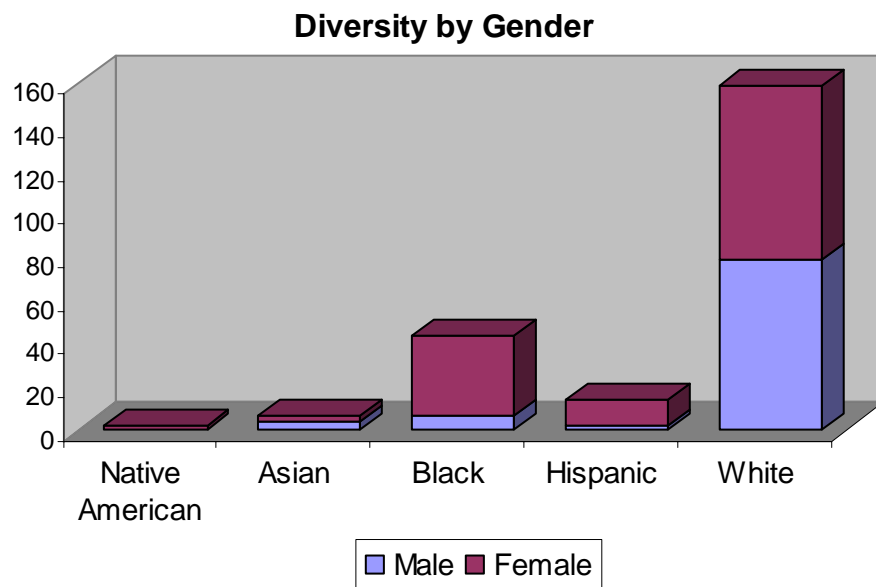


Figure 11. Employee Diversity

Strategic Management System

Priority-Based Management Cycle

The Strategic Management System integrates components of SC-CH into one coherent system enabling the achievement of our mission and vision. The linkage between strategic and annual planning, allocation of resources based on priorities, and evaluation of performance results, integrates management into a system that maintains continuous rigor and control. SC-CH continues to meet and exceed expectations laid out in its Strategic Management System by maintaining rigorous and disciplined strategic and

annual planning efforts; setting balanced, specific, and measurable priorities and objectives; and conducting formal, quarterly assessments of corporate performance against priorities and plans.

The Strategic Management System is made relevant to all employees through a structured flow-down from the Strategic Plan to organizational annual plans with a linkage to individual performance expectations.



Figure12. Strategic Management System

Financial Summary

SC-CH continues to provide outstanding financial management support to the SC family and other Departmental elements. During FY 2006, we were challenged by data conversion and implementation issues with the new accounting system (STARS), participation on multiple contract negotiation boards, and fine tuning the Field Budget System. Nevertheless, we managed a \$4 billion budget (70% of the total SC budget and 16% of the Department's total budget) by recording contract and grant obligations on a timely basis without incurring any Anti-Deficiency Act violations, developing cost accruals that accurately reflect work performed by award recipients, and teaming

with SC-OR to ensure that payments were made in accordance with the Prompt Payment Act. Our dedication to exemplary customer service, commitment to teamwork, willingness to accept and manage new responsibilities will ensure that we continue to exceed local and Departmental expectations.

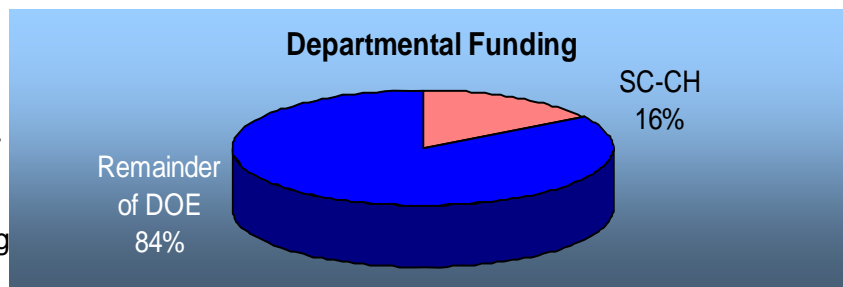


Figure 13. Percentage of Departmental Funding

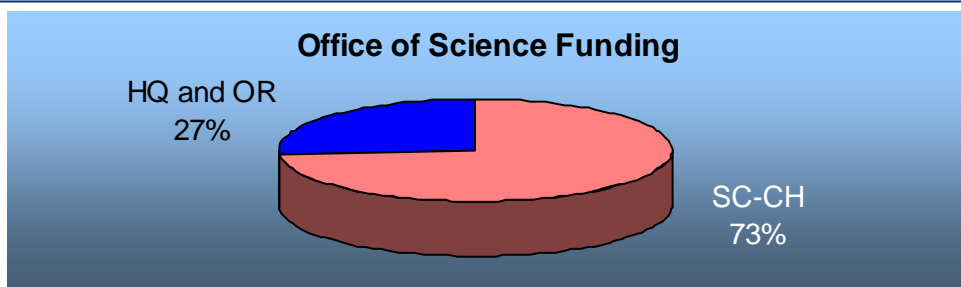


Figure 14. Percentage of Office of Science Funding

SC-CH allocated and administered \$2.6 billion of Science funding: 73% of the total \$3.6 billion.

Although the majority of SC-CH funding was provided by SC, SC-CH also received funding from other DOE Program Offices.

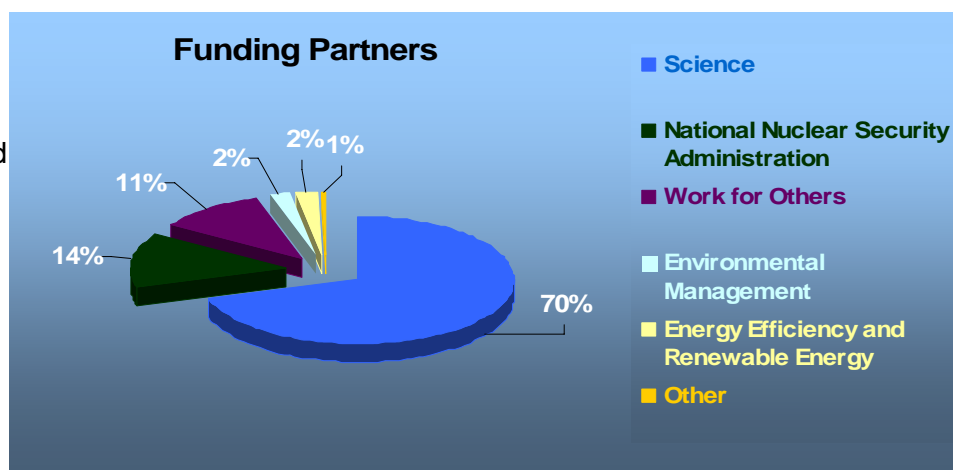


Figure 15. Funding Percentages by Program

Community Outreach

Good Neighbors - Making a Difference

One of the SC-CH values that is shared and exemplified by the employees is that their responsibilities extend beyond the doors of the Department of Energy and its partners, into the community, and the country as a whole. SC-CH involvement in outreach

activities has been wide-ranging and far-reaching, from assisting with local community leaders to raising over \$50K for the Combined Federal Campaign. These and other outreach activity highlights are described below:

Local Community Outreach

In FY 2006 SC-CH continued its outreach to a number of communities affected by or interested in DOE activities at its sites. For example, SC-CH and the Argonne Site Office partnered with Argonne National Laboratory on the joint DOE/Argonne Community Leaders Round Table, with four regular meetings and one special focus event held this fiscal year. SC-CH representatives also worked closely with the University of Chicago and National Institutes of Health in developing communications and involvement plans to explain the new Harold T. Ricketts Laboratory to Argonne site employees and the surrounding community. SC-CH also partnered with the Laboratory to communicate with neighbors about shipments of hazardous materials to the Argonne site.



Argonne Site

Argonne National Laboratory occupies 1,500 wooded acres in DuPage County, IL, about 25 miles southwest of Chicago.

SC-CH closely monitored and encouraged on-going efforts at Fermi National Accelerator Laboratory to develop an appropriate community forum for dialogue

and discussion of issues of community interest and concern. Efforts have progressed and such a forum is now in place and constructively interacting with the Laboratory. SC-CH is similarly involved in support of the Site Offices associated with Ames Laboratory and Brookhaven National Laboratory in efforts at those sites to build and maintain positive community relationships.

SC-CH also directly interacts with community representatives through meetings with local homeowners associations near the SC-CH office at the Argonne site and through Speaker Bureau activities that make SC-CH employees available to local area civic groups.

Little Eagle Day School

Annual collection and donation of Christmas presents to the children at the Little Eagle Day School in Little Eagle, South Dakota has become an important part of the holiday spirit of giving for many SC-CH employees.

Students from Kindergarten through eighth grade were asked to send letters and pictures to SC-CH explaining a little about themselves and their wishes. Employees participated by choosing one or more

students from the school, purchasing gifts, and donating the shipping costs. Approximately 65 students received gifts through the generosity of SC-CH

employees. For many of the children these were the only Christmas presents they received.

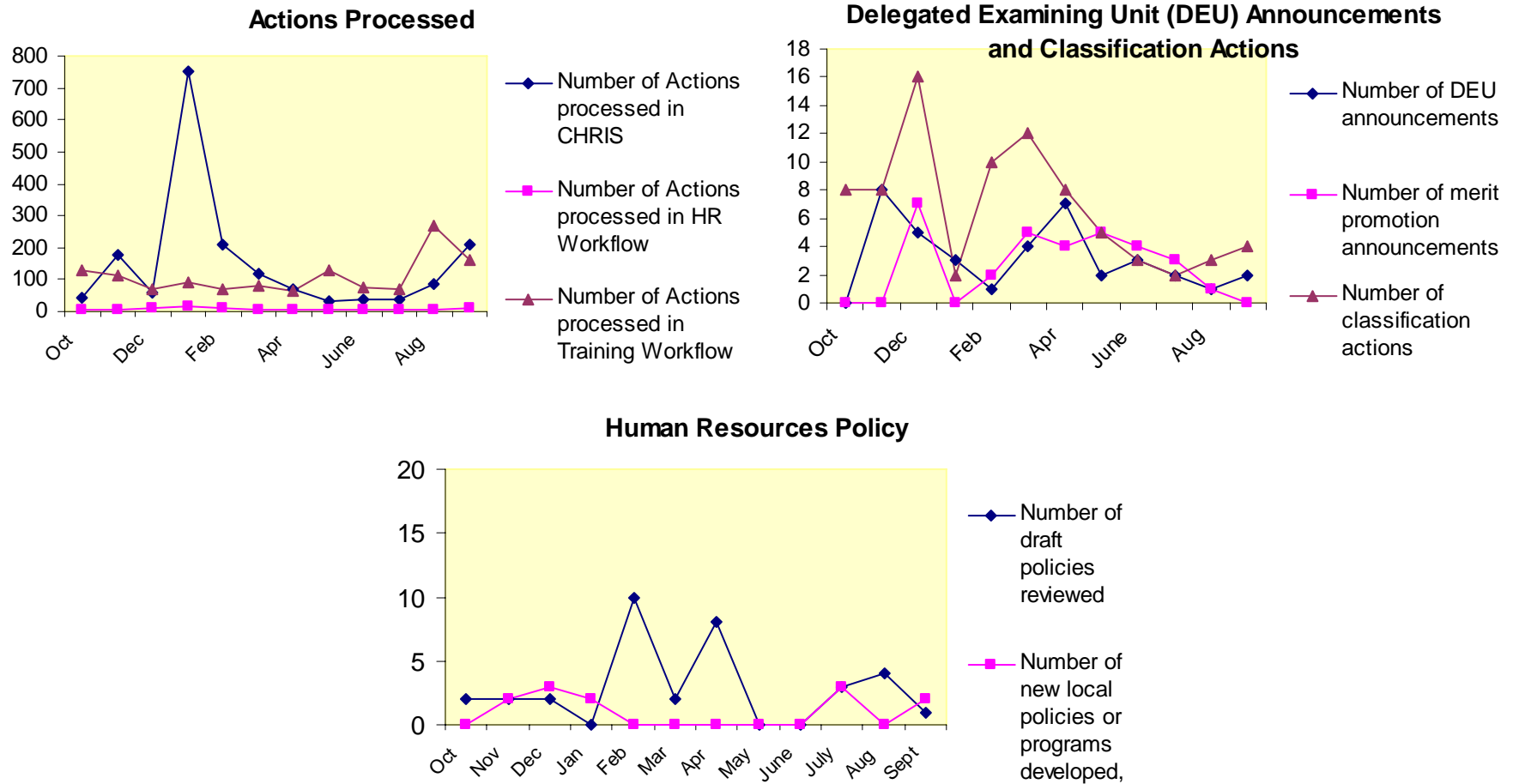
Combined Federal Campaign (CFC)

The annual fund-raising efforts for the CFC were successful again in FY 2006. Individual donation, sales and other

activities raised money for local, national and international charities. These efforts raised over \$50,000 in 2006.

Workload Indicators by Occupational Groupings Utilized In SC Annual Planning

1. Human Capital Management

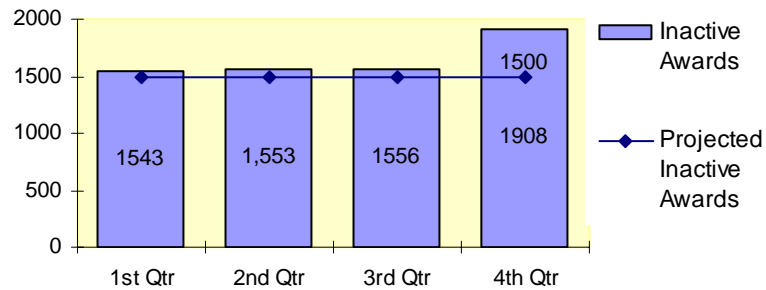


2. Contractor Human Resources

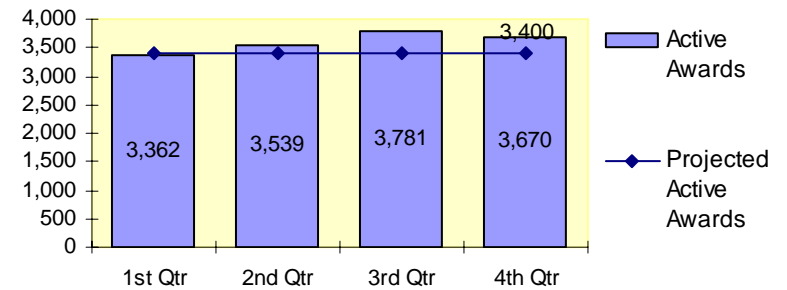
(New Contractor Human Resources workload indicators are under development for FY 2007.)

3. Procurement and Contract Management

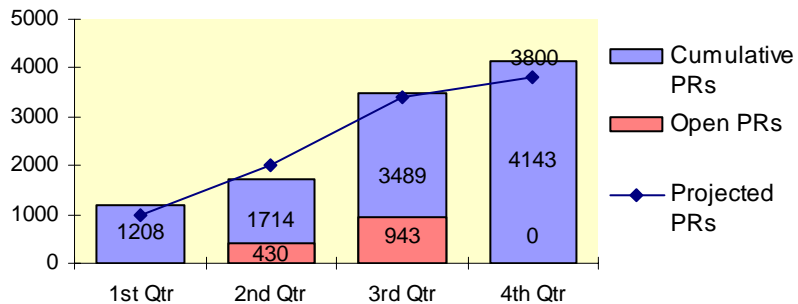
Inactive Award Actions



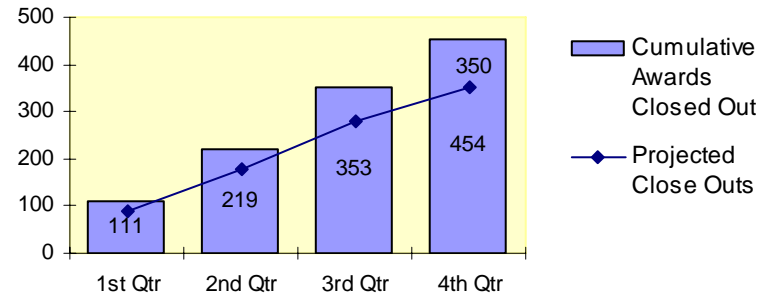
Active Award Actions



Cumulative Procurement Requests Received



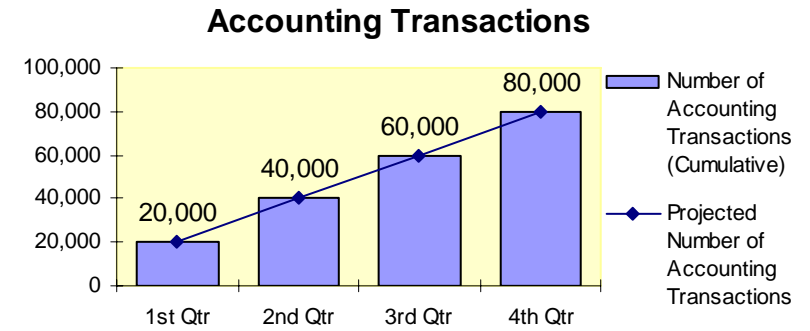
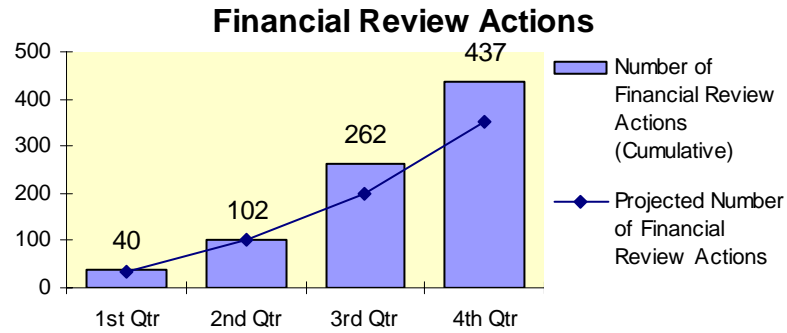
Cumulative Awards Closed Out



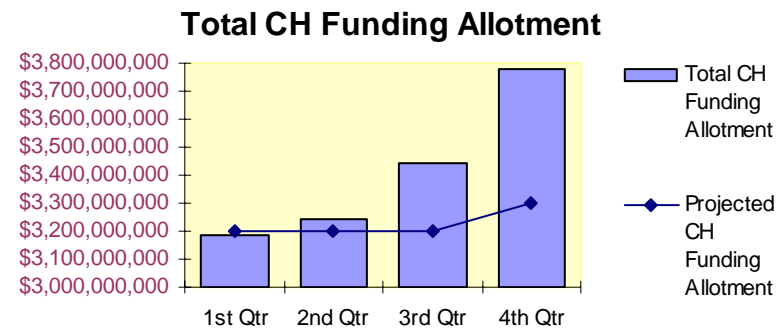
4. Real and Personal Property Management

(New Real and Personal Property Management workload indicators are under development for FY 2007.)

5. Finance and Accounting

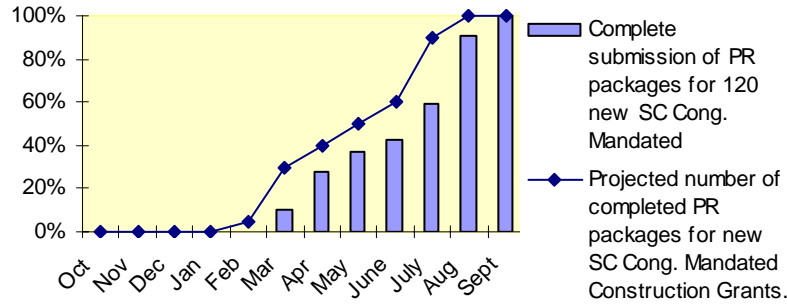


6. Budget and Resource Management

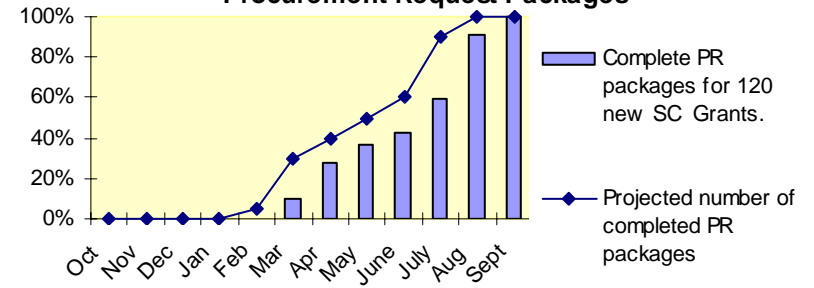


7. Program and Technical Support

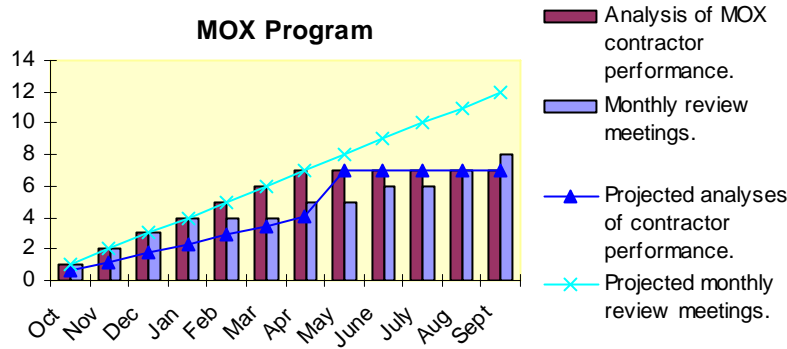
Construction Grant PR Packages



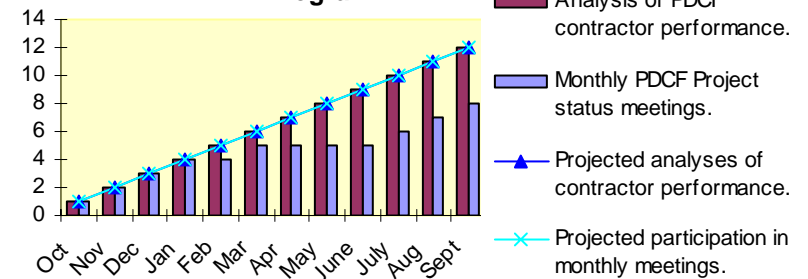
Congressionally Mandated Construction Grant Procurement Request Packages



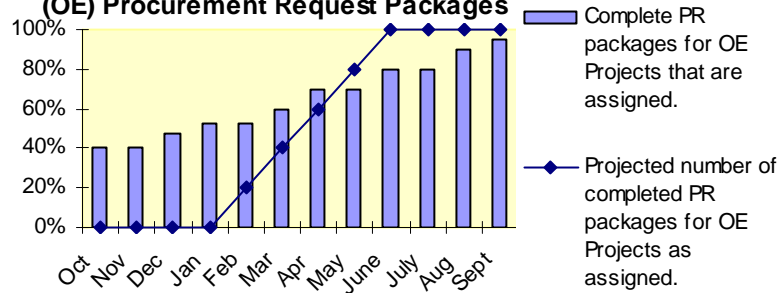
MOX Program



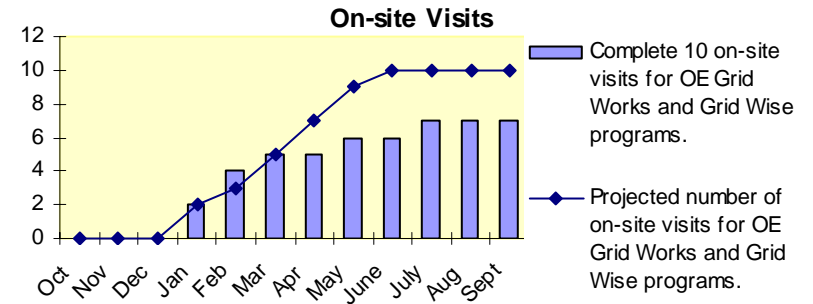
Pit Disassembly and Conversion Facility (PDCF) Program



Electricity Delivery and Energy Reliability (OE) Procurement Request Packages



Electricity Delivery and Energy Reliability (OE) On-site Visits

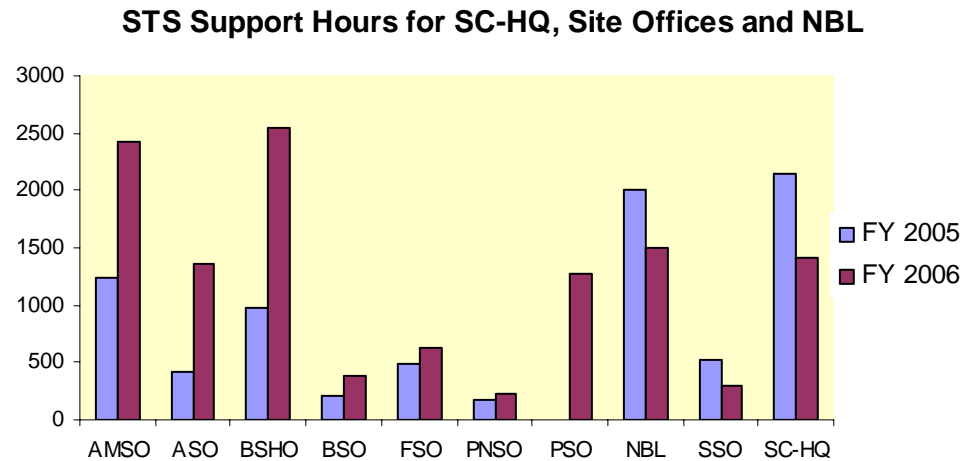


8. **Public Affairs, Information & Intergovernmental Relations**

(New Public Affairs, Information and Intergovernmental Relations workload indicators are under development for FY 2007.)

9. **Environment, Safety & Health**

(New Environment, Safety and Health workload indicators are under development for FY 2007.)

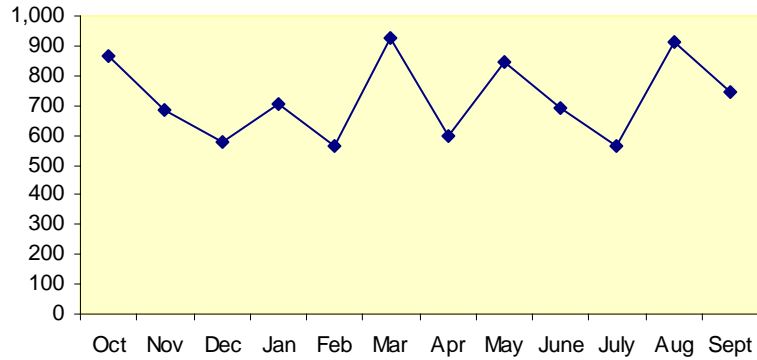


10. **Project Management**

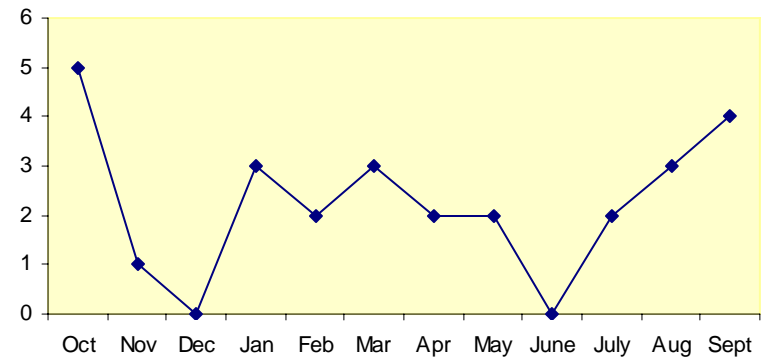
(New Project Management workload indicators are under development for FY 2007.)

11. Information Management

Help Desk Calls

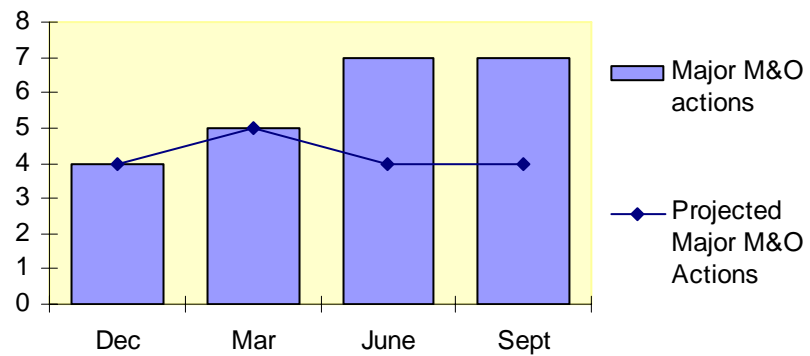


Applications Enhancement Requests

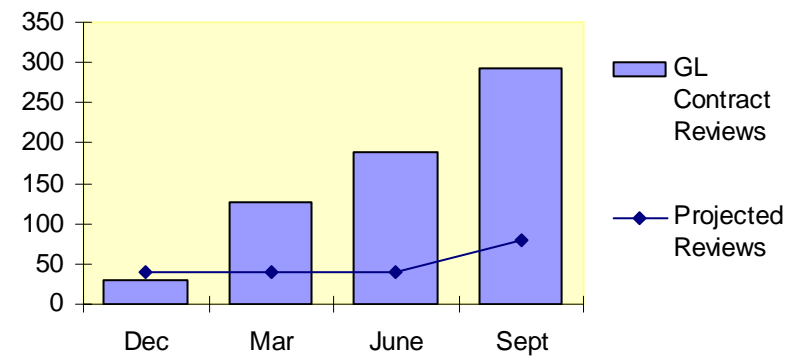


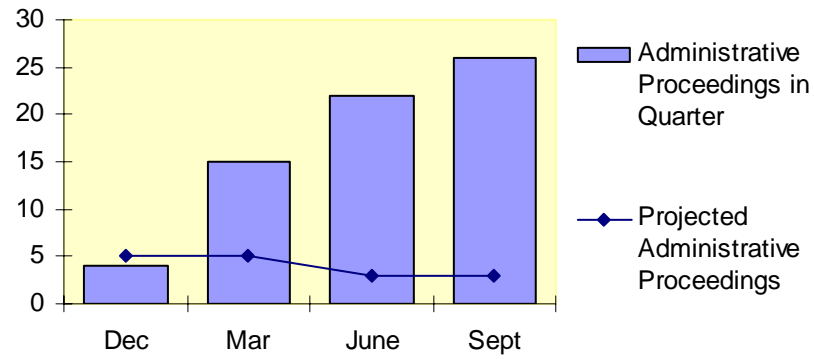
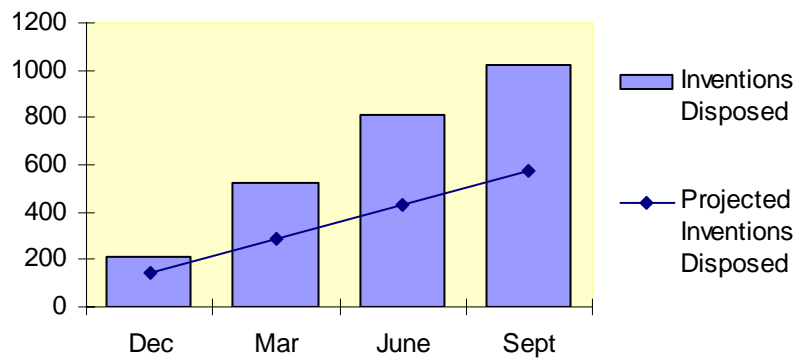
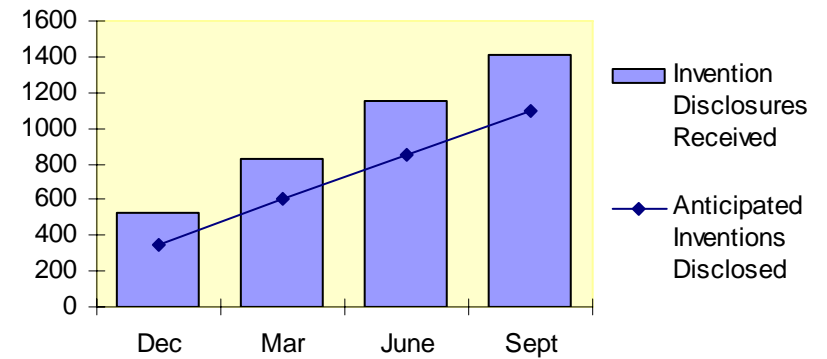
12. Legal-General

Major M&O Actions



General Law Contract Reviews

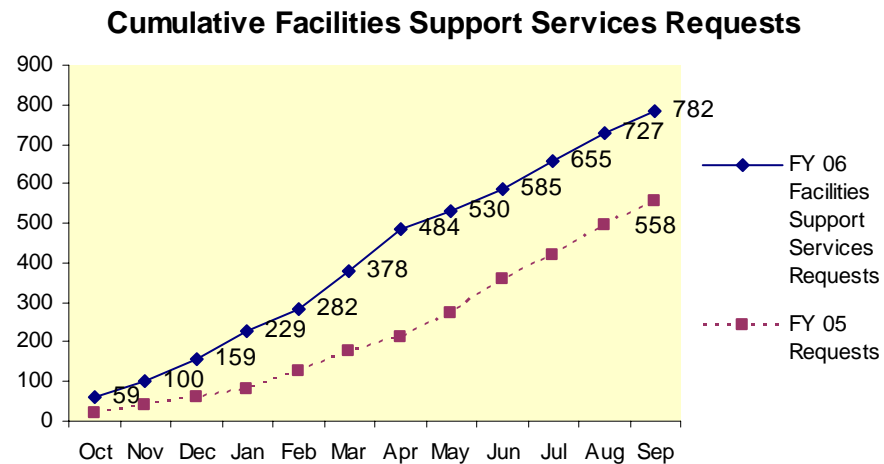
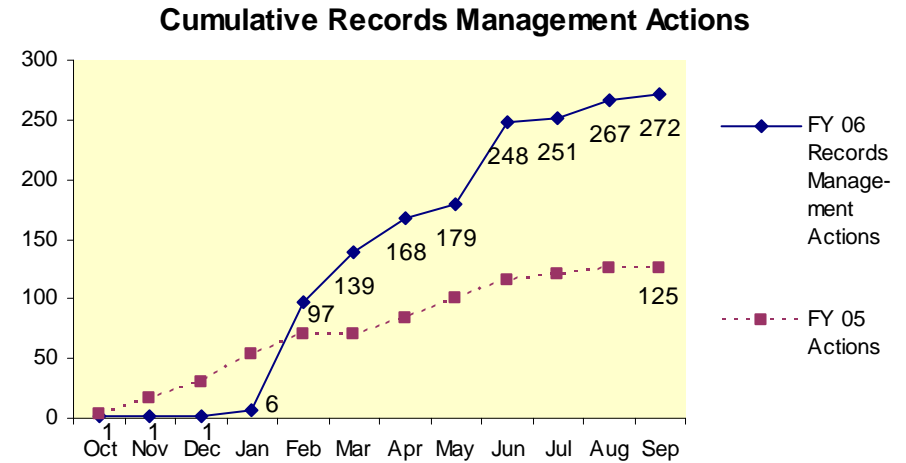
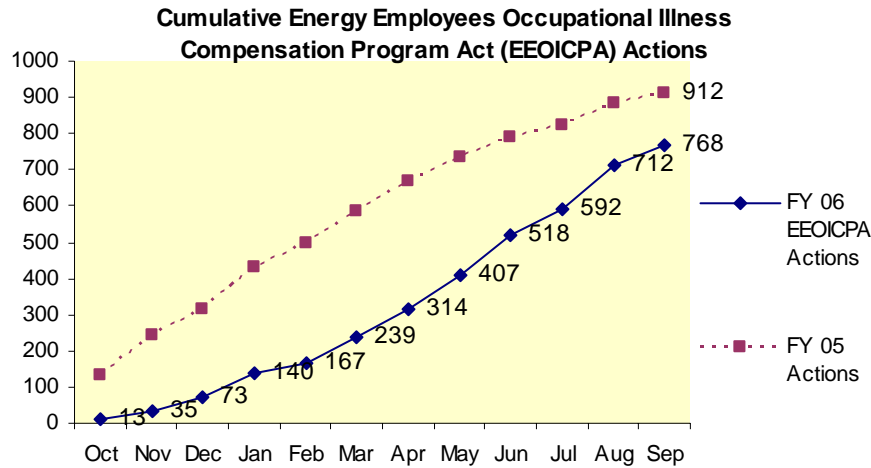


Administrative Proceedings**13. Legal – Intellectual Property****Inventions Disposed****Invention Disclosures**

14. Safeguards and Security

(New Safeguards and Security workload indicators are under development for FY 2007.)

15. Administrative Support and other Support Services



16. Management Officials and other Advisors